Change in Government Accounting System

2938. SHRI RAJKUMAR DHOOT: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Chairman of Twelfth Finance Commission has asked for change in Government accounting system;

(b) if so, the details thereof;

(c) whether Government have agreed with the views of Twelfth Finance Commission; and

(d) if so, the details of the proposed new accounting system?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Yes Sir, the Chairman of the Twelfth Finance Commission in the International Seminar in New Delhi on "Accounting for Results" held on 9-6-2003 conducted by Comptroller General of Accounts stated that "a question that is frequently asked is whether the way in which government accounts are prepared presents a true picture of the soundness of the fiscal system. It is in this context, there is considerable discussion on the relative merits of cash accounting and accrual accounting." He further added that "Government accountants have to seriously think in terms of how the cash system of accounting can be modified or supplemented so that the full picture of the monetary liabilities of the Government will be captured."

(c) The Twelfth Finance Commission is yet to submit its Report for consideration of Government of India.

(d) Does not arise.

Decline in Asia Pacific Private Equity

2939. SHRI RAJKUMAR DHOOT : Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Asia Pacific private equity in India has declined to $920 million in May-June this year as compared to $1.7 billion in corresponding period last year;

(b) if so, the details thereof and the reasons therefor; and